

## Infosoft Digital Design and Services Private Limited

January 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	19.35	CARE BBB-; Stable	Assigned
Long Term Bank Facilities	76.00 (Enhanced from 46.00)	CARE BBB-; Stable	Reaffirmed
Short Term Bank Facilities	72.00 (Enhanced from 42.32)	CARE A3	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Reaffirmation of the ratings assigned to bank facilities of Infosoft Digital Design and Services Private Limited (IDDS) continue to factor in the company's stable operational performance marked by sustained growth in scale of operations and moderate profitability margins. Ratings also factor in the average financial risk profile of the company marked by comfortable capital structure and moderate debt coverage indicators coupled with adequate liquidity position. Ratings also draw comfort from the experienced promoters, reputed clientele, and a moderate order book providing revenue visibility in the near to medium term. However, the ratings remain constrained by the working capital-intensive nature of operations, presence in a competitive tender-driven industry, and susceptibility of business risk due to tender-based order procurement.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Sustained growth in total operating income (TOI) of above ₹450 crore with profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 9.00%.
- Improvement in collection period to below 30 days leading to improved liquidity position on a sustained basis.

#### Negative factors

- Decrease in TOI below ₹200 crore with a PBILDT margin below 6.50% on a sustained basis.
- Deterioration in capital structure as marked by overall gearing above 0.80x on a sustained basis.

**Analytical approach:** Standalone

### Outlook: Stable

"Stable" outlook reflects CareEdge Ratings' opinion that IDDS will continue to derive benefit from its long-standing experience of promoters in the industry.

### Detailed description of key rating drivers:

#### Key strengths

##### Stable operational performance

The company has demonstrated consistent growth in its scale of operations, with Total Operating Income (TOI) increasing from ₹271.69 crore in FY24 to ₹302.76 crore in FY25, reflecting healthy execution of airport and railway projects. Profitability has strengthened, as evidenced by improvement in PBILDT margins to 11.21% in FY25 from 8.26% in FY24, supported by better cost control and product mix. The company's operational stability is further underpinned by a robust order book and diversified revenue streams, including SITC projects and annual maintenance contracts, providing visibility for sustained performance in the near to medium term. Further, the company achieved TOI of ₹244.00 crores in 8MFY26, which is further expected to increase further supported by orders in hand.

##### Moderate order book position providing medium term revenue visibility

As on December 15, 2025, the company has an order book of over ₹400 crore, to be executed over the next 12–24 months. Major projects include ONGC RTDOC Phase-II (₹28.46 crore), NICSI IT Infrastructure Project (₹7.83 crore), and Health Emergency

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

Operation Centre (HEOC) Shillong (₹12–15 crore), along with multiple airport automation and railway projects. This robust order pipeline ensures strong revenue visibility and supports medium-term growth prospects.

### **Average financial risk profile**

The company's capital structure remains healthy, with overall gearing at 0.47x as on March 31, 2025, supported by consistent accretion of profits to net worth (₹70.16 crore in FY25 vs ₹49.11 crore in FY24). Debt coverage indicators continue to be moderate, as reflected by interest coverage of 6.34x and Total Debt to PBILDT at 0.98x in FY25. While term loans of ₹19.35 crore are proposed for investment for purchase of guest house, gearing is expected to remain moderate slightly over medium term.

### **Experienced promoters and reputed clientele position**

Krishna Kumar Aggarwal has over 25 years of experience in the information display system & airport automation business and experience in project management and execution. The management of the company is supported by qualified and experienced personnel. Attributed to the management's experience, the company has been able to build a reputed clientele like Indian Railways, Airports Authority of India, and major domestic and international airports etc. The company generates revenue through tender offers from airport authorities for maintaining flight information display systems and LED signage. It also provides similar services to Indian Railways, maintaining monitors, servers, workstations, cameras, and networking equipment. Additionally, revenue comes from maintaining CCTV systems, public address systems, and IT infrastructure for IT companies. The diversification of the product portfolio has enabled the company to expand its customer base, contributing to revenue growth in H1FY25 and further orders expected during the remaining part of the year.

### **Key weaknesses**

#### **Working capital intensive nature of operations**

The company requires a large amount of working capital due to the tender-based business model which is generally for a duration of 2-3 years. The tender received requires a performance bank guarantee from the company to be placed for 10% of the contract value. The project is usually of a higher period as the company supply raw materials in phases based on the onsite requirement. Due to this, there is a requirement for working capital and since the majority of the clients for the company are government companies, the collection period for the company also remains on the higher side. Also, the company operates on the model of SITC (Supply – Install – Testing – Completion) under which the 80% of the payment is received when the raw materials are supplied and the remaining 20% is received when the installation, testing is completed, and handover is given. However, the operating cycle of the company has been improving over the years and stood at 60 days in FY25 from 43 days in FY2, which moderated slightly due to elongated collection period with payments now being received within one month through bill discounting. The company's ability to improve its collection period will remain a key credit monitorable.

#### **Susceptibility of business risk due to tender related business**

About 70% of company's business is tender based either from Indian Railways or from Airport Authorities. Due to the competitive nature of the industry, companies have to offer competitive bids by compromising on its margins to secure tenders, which adversely affects the company's profitability. Even though the company has an established position in the business, continued success at tenders and renewals of contract remains critical for maintaining the scale of operation. Loss of any major tender can weaken the business risk profile. The company's capacity to bid for additional contracts while preserving its profitability will continue to be a crucial factor to monitor.

### **Competitive industry**

IDDS operates in an industry which is highly competitive and fragmented with the presence of large numbers of players in the market and low entry barriers. The industry operates on tender based business model. With the growing focus of the government on digitalization and the need for better security systems, the demand for CCTV is likely to increase in the upcoming years, thus increasing the competition among players.

### **Liquidity: Adequate**

Liquidity remains adequate, supported by healthy cash accruals and comfortable capital structure. The company reported gross cash accruals of ₹21.31 crore in FY25, and expects GCA of around ~₹21 crores against minimal debt servicing obligations during FY26. Working capital utilization averaged around 70-80% over the past 12 months, as per the Bankers' feedback, indicating moderate reliance on bank limits. The operating cycle stood at ~60 days in FY25 (FY24: 43 days), primarily due to higher receivables and retention money, though collections are largely realized within one month through bill discounting. Current ratio and quick ratio remained comfortable at 1.63x and 1.58x, respectively, as on March 31, 2025.

### **Assumptions/Covenants: Not Applicable**

**Environment, social, and governance (ESG) risks:** Not Applicable

### Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Services Sector](#)

### About the company and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Information Technology	Information Technology	IT - Services	IT Enabled Services

Incorporated in 1997, the company is engaged in communication equipment assembling and testing with a focus on information display and security systems. IDDS provides services such as flight information display systems, LED boards, touch screen kiosks and computerized automatic announcement systems for Indian Railways and domestic and international airports. The company has its manufacturing facility located in Manesar, Gurugram for the assembling and testing of LED based information display boards, GPS based clocks and Token displays.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	8MFY26 (UA)
Total operating income	271.69	302.76	~244.00
PBILDT	22.44	33.95	-
PAT	14.38	21.05	-
Overall gearing (times)	0.29	0.47	-
Interest coverage (times)	7.23	6.34	-

A: Audited UA: Unaudited; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

#### Status of non-cooperation with previous CRA:

- CRISIL has continued the rating assigned to the bank facilities of IDDS into ISSUER NOT COOPERATING category vide press release dated December 09, 2024 on account of its inability to carry out a review in the absence of requisite information from the company.
- India Ratings has continued the rating assigned to the bank facilities of IDDS into ISSUER NOT COOPERATING category vide press release dated June 25, 2025 on account of its inability to carry out a review in the absence of requisite information from the company.

**Any other information:** Not Applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	76.00	CARE BBB-; Stable
Fund-based - LT-Term Loan	-	-	-	31-05-2037	19.35	CARE BBB-; Stable
Non-fund-based - ST-Bank Guarantee	-	-	-	-	70.00	CARE A3
Non-fund-based - ST-ILC/FLC	-	-	-	-	2.00	CARE A3

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	76.00	CARE BBB-; Stable	1)CARE BBB-; Stable (24-Dec-25)	1)CARE BBB-; Stable (04-Dec-24)	1)CARE BB+; Stable (20-Dec-23)	1)CARE BB+; Stable (25-Nov-22)
2	Non-fund-based - ST-ILC/FLC	ST	2.00	CARE A3	1)CARE A3 (24-Dec-25)	1)CARE A3 (04-Dec-24)	1)CARE A4+ (20-Dec-23)	1)CARE A4+ (25-Nov-22)
3	Non-fund-based - ST-Bank Guarantee	ST	70.00	CARE A3	1)CARE A3 (24-Dec-25)	1)CARE A3 (04-Dec-24)	1)CARE A4+ (20-Dec-23)	1)CARE A4+ (25-Nov-22)
4	Non-fund-based - ST-Proposed non fund based limits	ST	-	-	-	-	1)Withdrawn (20-Dec-23)	1)CARE A4+ (25-Nov-22)
5	Term Loan-Long Term	LT	-	-	-	-	1)Withdrawn (20-Dec-23)	1)CARE BB+; Stable (25-Nov-22)
6	Fund-based - LT-Term Loan	LT	19.35	CARE BBB-; Stable				

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-ILC/FLC	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

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